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THE  
RECIPROCITY TREATY,  
BETWEEN THE  
UNITED STATES AND GREAT BRITAIN,  
OF  
JUNE 5, 1854.

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REPORT OF A SPECIAL COMMITTEE OF THE BOSTON  
BOARD OF TRADE. SUBMITTED AND  
ADOPTED JAN. 2, 1865,

AND  
ORDERED TO FORM A PART OF THE ELEVENTH ANNUAL REPORT.

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BOSTON:  
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1865.

THE following Report of the Special Committee on the Reciprocity Treaty, was submitted to, and accepted by, the Boston Board of Trade, as a part of the Eleventh Annual Report, previous to the passage of the Resolution of Congress declaratory to Great Britain of the intention of the United States to terminate the same, in accordance with the provisions of the Fifth Article. But since this action of Congress does not preclude negotiation to revise and continue the Treaty, or to conclude a new one, the reasons here presented against *abrogation*, may be of service to persons who have not examined the subject with care, and to those who are unacquainted with the long and angry controversies between the two Governments, relative to the Colonial Trade and the Fisheries.

OFFICE BOSTON BOARD OF TRADE, }  
FEBRUARY 1, 1865. }

THE

## RECIPROCITY TREATY OF 1854.

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Soon after the movement in Congress, during the last session, to annul the "Reciprocity Treaty" of 1854, we appointed a large Committee, with full powers,\* to act upon the subject at discretion. After consultation, it was deemed proper to send the Secretary of the Board to Washington, under instructions to make interest for the *revision* rather than the *abrogation* of that compact. That officer accordingly visited the capital twice, had a hearing before the House Committee on Commerce, and had frequent conversations with Senators and Representatives, with the view to the appointment of Commissioners by the two Governments, with authority to make such changes in the Treaty as time and circumstances have, in the judgment of statesmen and others, rendered necessary for the benefit of all parties.

We had supposed that in commercial freedom, and of consequence, in the promotion of human brotherhood, there is no recession. Possibly the case before us is to prove an exception to the common rule and to history.

\* Committee,—Lorenzo Sabine, Peter Butler, Charles Bockus, William B. Spooner, Erastus B. Bigelow, Charles O. Whitmore, Samuel H. Walley, Joseph S. Ropes, Joseph S. Fay, W. W. Greenough, Osborn Howes, William Perkins, Thomas Aspinwall, William T. Glidden, James C. Converse, George C. Richardson, Charles G. Nazro.

Certainly so, if the President shall give the 'twelve months' notice without an overture for negotiation. In view of the persistent effort to put an end to the existing relations between us and the Colonists north and east of us, it may not be amiss to refer to the past.

At the dismemberment of the British empire, in 1783, it was proposed to allow the United States to participate in the trade of the remaining colonies in this hemisphere, on terms of equality with England herself; but the English merchants who enjoyed that trade in monopoly were alarmed, and defeated the measure. Two years after, Mr. Adams, our first Minister at the Court of St. James, was instructed to renew the proposition; and was curtly answered that it could not be entertained even as a subject of negotiation. A third effort was made in 1789, with no better success.

A quarter of a century elapsed without a change of policy, or, as far as we know, without serious effort on our part to obtain concessions. But, in 1815, by an Act of Congress, we relaxed our policy of discrimination in favor of our own flag, to such nations as should reciprocate; and the terms proposed were adopted in the commercial treaty concluded with Great Britain the same year, which, after repeated renewals, is still in force. And this was the beginning of "Reciprocity." Our Government wished to place the Colonial trade on the same footing; but the overture was declined. Yet, intercourse was permitted between the United States and the Colonies, by British legislation and by orders in council. Subsequent efforts to adjust the question by negotiation failed; and, in 1817, an Act of Congress restricted importations in foreign vessels to articles of the growth, produce, or manufactures of the country to which such vessels belonged. The measure was retaliatory. In the year 1817, also, Lord Castlereagh pro-

posed to our Minister in London, to allow our vessels of one deck a limited trade with a portion of the Colonies, under the "Free Port" arrangement: our Government not only refused to accept the proposition, but retaliated a second time, and more severely than at first. A few years later, so hostile had become the relations between the two countries, that the ports of the United States were entirely closed against the British Colonies and West Indies; and, lest British vessels coming to these ports under the "Reciprocity Treaty" of 1815, should evade our laws, bonds were exacted at their departure, obligatory not to land merchandise in either of these interdicted possessions. *To countervail, an order of the King in council, followed; and non-intercourse on both sides was established.* But the gypsum and grindstones of Nova Scotia were much needed, and the officers of the customs on the north-eastern frontier, allowed American vessels to clear for St. Andrew, and to receive these articles on "the lines," or in the harbors of Eastport and Lubec.

Such was the general condition of things, when your Secretary was an apprentice in a counting-room in the town first mentioned. High duties and prohibitions invariably produce smuggling, or other evasions of the statute book. And, at the place and period in question, the amount of illicit trade, and frauds under the "debenture laws," were enormous.

In 1824, an Act of Congress declared the suspension of all discriminating duties to the several European nations and their possessions, which had reciprocated the provisions of the Act of 1815, and gave the President authority to extend the exemption to such other powers as should, thereafter, meet the United States on terms of equality; but the British Government refused to accede to stipulations suggested by Mr. Rush, our Minister at

the Court of St. James, and negotiations were again interrupted. On the 5th of July, 1825, however, Parliament passed an Act, under which hope was entertained that an end had come to the policy of which we speak, to allow free intercourse with the Colonies; and an unsuccessful attempt was made in Congress, soon after, to meet its provisions with corresponding legislation. The result was another order of his Majesty in council, declaring the cessation of trade between the United States and the greater part of the Colonial ports, on a certain specified day. At this juncture, Mr. Gallatin, who had succeeded Mr. Rush, was instructed to accept, by treaty, the same terms, substantially, as were offered to the last named gentleman, in 1824; but the determination of the British Government to decline all further endeavors to conclude a Convention, was promptly and definitely announced.

Meantime, the question of the "Colonial Trade," had become political, and the debates in Congress were long and acrimonious; while the newspapers and the people blamed or praised President Adams and his advisers, according to their party proclivities. In the winter of 1827, the President submitted the whole subject to Congress; and, after much discussion, a bill to countervail the last order in council, failed; but after the session had closed, the President issued a proclamation which accomplished the object designed by those who supported his administration. The King, in still another order in council, recited the nations that had met the provisions of the Act of July 5th, 1825, and excluded from its benefits such as had refused, and among them, of course, was our own country. Mr. Gallatin, who was still in London, however, renewed his efforts to place the Colonial Trade on a satisfactory footing by legislation rather than by treaty, in a despatch to Lord

Dudley. His Lordship did not even reply. So, subsequently, when our Minister addressed Mr. Canning, the curt answer was surprise that any doubt could exist as the final determination of the British Government, on the subject.

After the decease of Mr. Canning, Mr. Gallatin, in a communication to Lord Dudley, asked, whether, if Congress complied with the recommendations which the President was prepared to make, the United States would be permitted to avail themselves of the Act of July 5th, 1825; and, in a conference with Mr. Huskisson, our Minister was evasively answered on this point, and told, moreover, that Great Britain considered the trade with her Colonies as exclusively under her own control, and that whatever terms might be granted to foreigners was a concession. Thus, then, after twelve years of negotiation, nothing whatever had been accomplished, save indeed, the official declaration just recorded, that *any* relaxation of the principals of the original "Navigation Act" of England, as related to her Colonies, was to be deemed a mere "boon." And yet, during these twelve years, the diplomats of both Governments had almost always conceded that the interests of all parties would be promoted by "Reciprocity." Thus stood the controversy at the beginning of the administration of President Jackson; for Mr. Barbour, in January, 1829, Minister at the Court of St. James, advised Mr. Van Buren, Secretary of State, that he was induced to believe that no change of policy in favor of the United States was meditated by his Majesty's advisers. Such, in truth, was the general opinion; but a change soon occurred.

Mr. McLane, who succeeded Mr. Barbour, in 1830, made an "Arrangement,"—known by his name—which took effect in October of that year, and which was un-



disturbed until 1854, when the existing "Reciprocity Treaty" was concluded. Embarrassed in the Department of State, Mr. Van Buren retired, and accepted the mission to England. As already remarked, the question of the Colonial Trade had been mingled with the politics of the time; and we may now add, that it helped to defeat President Adams. The friends of his successor, President Jackson, had, in a manner, pledged themselves to the country, to obtain speedy and satisfactory concessions. It was accordingly known that Mr. McLane had been specially directed to open negotiations with Lord Aberdeen; but it was not known until after Mr. Van Buren had gone abroad, that, in his instructions of July 20, 1829, he had used these remarkable words:—"To set up the acts of the late administration," he said, "*as the cause of forfeiture of privilege which would otherwise be extended to the people of the United States, would, under existing circumstances, be unjust in itself, and could not fail to excite their deepest sympathy.*" Such a statement to a foreign power of "the relations of our domestic parties," was thought so very objectionable, that the Senate refused to confirm Mr. Van Buren as Minister to England. He returned a *martyr*; and, in due time became President. And it is possible that some yet live, who think that the utterance of the sentiment we have quoted—with such a result was so extremely unfortunate, as to have had an adverse influence over our public affairs down to this very hour.

In the place of barred and bolted ports, the people of the United States and of the Colonies, now, and under the "Reciprocity Treaty," deal with one another at will, exchange without customs even, the "wealth of seas" and the principal raw staples of the soil; mingle, as if of the same nation on all the fishing-grounds;

and, as if of the same nation, too, use the St. Lawrence and the canals which connect it with the most distant of the great lakes and with the ocean. True, in this happy condition of things there are some grave evils to lament and to correct; yet we are still to rejoice that the inhuman restrictions which existed for nearly half a century, have been removed. And now! are the misunderstandings of the moment to be cherished, and to terminate, at last, in utter alienation and hatred? Is retaliatory legislation to be revived, to be revived on both sides?

In considering these inquiries it is pertinent to remark that, on our part, we shall be compelled to deal not with the Imperial Parliament, as at first, but with the different Colonial Assemblies, and with each according to its own pleasure, and distinct power of annoyance. The Colonies, in truth, are now nearly independent of England. Lord Durham, who came out as Governor General of British America, during the Rebellion in Canada, made a Report of what he himself did, of what he intended to do, and of what should be done, for the Colonies; which, though stigmatized in Parliament and in the *Quarterly Review*, as "a gospel of treason," has been adopted by her Majesty's advisers, in almost every essential particular; and, these bold and comprehensive reforms accomplished, the Colonists are nearly free.

Why, with the history before us of the controversy which preceded the "McLane Arrangement" of 1830, annul the Treaty of 1854, without an attempt to revise, and continue it? If we adopt this extreme course, another long and angry dispute will certainly follow; and, the legislation on both sides will become, possibly, quite as barbarous as at any previous period. Why, then, not give the "twelve months'" notice, as provided

in the 5th Article of the Treaty ; appoint Commissioners, and negotiate ?

Again ; the Treaty once abrogated, our right of fishing in the British Colonial seas and bays would depend entirely upon the unfortunate Convention of 1818, with the certainty of reviving the old disputes ; and here, too, mainly, the contest would be with the several Assemblies, and not, as once, with the Home Government. As the difficulties encountered by the United States, prior to 1854, on the question of the fisheries, have been treated with unbecoming lightness by members of Congress, and by newspapers of influence in shaping the policy of the country, we propose, at this juncture, to place on the records of this Board a rapid account of them, for future reference. Should the Treaty be annulled, time, possibly, *may* show the pertinency of our narrative.

At the close of the war of 1812, our Government was firm in the opinion that the rights stipulated in 1783 remained entire. It was assumed in England and in the Colonies, however, that this principle was in contravention of public law, and claim was made to exclude our vessels from the fishing grounds, and even to seize them when found there. In accordance with the British view, his Majesty's ship *Jasseur*, in June, 1815, made prize of eight American vessels in a single day. This outrage, and the order that our fishermen should not come within sixty miles of the Colonial coast, caused a long negotiation, which terminated in the Convention of 1818, and which we again pronounce unfortunate. The capture of twelve other vessels followed. In 1819, Parliament passed an Act regulating the fisheries of Newfoundland, Labrador, and other possessions of the Crown, to meet the provisions of the Convention of the preceding year ; but the Colonial authorities in due time

took the ground that this Act excluded our flag from the great "bays." For four years, there was a degree of quiet and security; but, in 1823, the ship of war *Argus* (captured from us in the war of 1812) and the *Sparrow-hawk*, spread alarm among our fishermen employed in the Bay of Fundy, and elsewhere in the waters of New Brunswick and Nova Scotia; and though the *Charles* of York, Maine, was the only prize, fifty other vessels were molested, and the voyages of several of them utterly ruined. A year later, Captain Hoare, of his Majesty's brig *Dotterel*, pursued a course which drove hundreds of our fishermen from the "bays" of the two Colonies just mentioned; and your Secretary saw, on more than one occasion, the arrival of sixty or seventy of these vessels at one port, on a single day. After the loss of a week's time, perhaps, the boldest of the masters ventured to go to sea; but the report that the vigilant Hoare had been seen in close proximity, a day or two previously, caused a second flight to some harbor on the American side of the frontier, with another loss of time. In a word, the zeal of Captain Hoare "in guarding the coast from the intrusion of foreign fishermen and smugglers," gave rise to great excitement on the eastern border of Maine, which finally attracted the attention of Congress; when the United States schooner *Porpoise* was despatched to the Bay of Fundy, to protect the "craft" that wore our country's flag. So, too, subsequently, as the *Dotterel* continued to annoy our fishing vessels, the sloop-of-war *Lexington* was ordered to cruise in the interdicted "bays."

During these troubles your Secretary and hundreds of other persons witnessed the recapture of two of the *Dotterel's* prizes by a party of armed men; an affray which, in the correspondence that followed between a *Charge d'Affaires* and a Minister of England, on the one

hand, and Mr. Adams and Mr. Clay, successively Secretaries of State, on the other, was deemed by the representatives of royalty "an outrage;" and one for which they required an "acknowledgment." A period of quiet followed. Early in 1836, however, Mr. Bankhead, the British Charge d'Affaires, at the instance of the Colonial authorities, called the attention of Mr. Forsyth, Secretary of State, to "*repeated* acts of irregularity, committed by fishermen of the United States;" but, strangely enough, the papers which accompanied his note specified a *single* encroachment only, namely, that of the schooner *Bethel*, of Provincetown, Massachusetts. In less than three months, Nova Scotia passed an Act of extreme, and in some of its provisions, of inexcusable severity; and, in 1837, an elaborate Report was made to the Assembly of that Colony, in which it was proposed to maintain their pretensions by the employment of steamers on the part of England, and of a preventive force on the part of her dependencies. The latter recommendation was adopted. And Nova Scotia, not content with this, transmitted an Address to the Queen, in 1838, complaining of the habitual violation of the Convention of 1818 by our countrymen; and praying for a naval force to put an end to the alleged aggressions. The appeal was successful, for Lord Glenelg, Secretary for the Colonies, announced that during the fishing season, ships of war would be stationed on the coast, "to enforce a more strict observance of the provisions of the treaty by American citizens."

In 1839 her Majesty's cruisers spread consternation throughout the "bays"; and the Hon. Keith Stewart, in command of the *Ringdove*, was called by our fishermen, another Hoare in the *Dotterel*. Among the captures were the *Java*, the *Battelle*, the *Mayflower*, the *Charles*, the *Eliza*, the *Shetland*, the *Hyder Ally*, the *In-*

*dependence*, the *Hart*, the *Ocean*, the *Director*, the *Atlas*, the *Magnolia*, the *Amazon*, and the *Three Brothers* ; and many vessels which escaped seizure returned home with "broken fares," and with more or less loss to their owners.

The early part of 1841 is fruitful of events which show the progress of the controversy, and the development of Colonial plans and pretensions. On the 20th of February, Mr. Forsyth, Secretary of State, addressed Mr. Stevenson, our Minister at London, a letter of definitive instructions, in which he reviewed the points in dispute, and stated that he was directed by the President to convey his desire that a representation should be made to her Majesty's Government, immediately on receipt of the despatch, earnestly remonstrating "against the illegal and vexatious proceedings of the authorities of Nova Scotia towards our fishermen" ; and requesting of the Ministry, "that measures be forthwith adopted" to remedy the evils arising "from the course of the Colony, and to prevent the possibility of the occurrence of similar acts." Mr. Stevenson's attention to his instructions was prompt ; but we must omit all mention of his communication to Lord Palmerston ; and our limits compel us to omit, also, several incidents necessary to a full understanding of the gravity of the case at that time.

We renew our narrative, however, at the moment when Mr. Everett appeared as the Envoy of our country at the Court of St. James. Seemingly, such were the complications at this juncture, that the "Fishery Question," hardly admitted of solution. The hostile action of Nova Scotia had been continued ; Lord Falkland, the Governor, had transmitted several documents to the Ministry, and among them a paper containing "Seven Queries"—so called, subsequently—for an

opinion by the great law officers of the Crown ; which, if answered affirmatively, would not only drive our flag from the " bays," but deny it the shelter which, in peace, is allowed by one civilized power to another, all over the world. These " Queries " were considered with commendable promptness ; but fifteen months elapsed before Lord Stanley acquainted Lord Falkland with the result. To the amazement of well-informed persons in the United States, the legal advisers of the British Crown decided that our fishermen, under the Convention of 1818, must keep three miles from the shore, and that this distance should " be measured from the headlands or extreme points of land next to the sea of the coast, or of the entrance of the bays." By this decision, as will be seen, the only fishing-grounds which could be used by American vessels were those of the open ocean. Rapidly enough did the Colonists avail themselves of this remarkable judgment of the Queen's Advocate, and of the Attorney-General of England. The schooner *Washington*, of Newburyport, Massachusetts, was seized while " fishing broad," in the Bay of Fundy, in consequence ; and, in June, 1843, Mr. Upshur, Secretary of State, in a despatch to Mr. Everett, spoke of the " obvious necessity " which existed, " to put an end to proceedings on the part of the British Colonial authorities, alike conflicting with their conventional obligations, and ruinous to the fortunes and subversive of the rights of an enterprising and deserving class of our fellow-citizens." The interests of the United States, of whatever nature, were intrusted to an accomplished gentleman. Gladly would we insert entire the letter of Mr. Everett, of August 10th, 1843, and of the 25th of May, 1844, to Lord Aberdeen, Secretary for Foreign Affairs, but our limits allow us barely to say that the first is admirable, and that the other is a state paper, which, for spirit,

dignity, and force of argument, is a model. His Lordship, however, maintained the "headland" construction of the Treaty, and averred that the seizure of the *Washington* was justified, on the ground, solely, that she "was found fishing WITHIN the Bay of Fundy."

In September of 1844, Mr. Calhoun, Secretary of State, called the attention of Mr. Everett to the case of the *Argus*, a fishing schooner seized "*sixteen miles from ANY land*" by the cutter *Sylph*, off the coast of Cape Breton. From our distinguished countryman's communication to Lord Aberdeen, on the 9th of October of that year, we make a single extract. "American vessels of trifling size," said our Minister, "and pursuing a branch of industry of the most harmless description, which, however beneficial to themselves, occasions no detriment to others, instead of being turned off the debatable fishing ground—a remedy fully adequate to the alleged evil—are proceeded against as if engaged in the most undoubted infractions of municipal law or the law of nations, captured and sent into port, their crews deprived of their clothing and personal effects, and the vessels subjected to a mode of procedure in the courts, which amounts in many cases to confiscation: and this is done to settle the construction of a treaty."

The pretension to exclude our vessels from the Bay of Fundy was absolutely absurd, even under the decision of the Crown lawyers; simply because its north-western "headland," wherever determined, is in the State of Maine. Yet, instead of being abandoned as utterly untenable, its use was granted "as the concession of a privilege." Mr. Everett, in his last letter to Lord Aberdeen, March 25th, 1845, dissents from his Lordship's views, and accepts the Bay as the continuance of a "right" always enjoyed, and never impaired. But as our Government gave no information



upon the subject, save what was contained in a single paragraph in the "Union," a newspaper supposed to possess its confidence,—persons engaged in the fisheries pursued their business in apprehension and doubt until 1852, or, for more than seven years.

Of the occurrences between the years 1846 and 1851, we need mention only the capture and total loss of several American fishing vessels, and of four annual reports to the Assembly of Nova Scotia, on the question of depriving our countrymen of the use of the Strait of Canso, and thus compelling them to make the long and dangerous passage around Cape Breton, an island so large as to have been a Colony of France, and for a considerable time, of England. And yet, the controversy was then fast approaching a crisis.

On the 19th of July, 1852, Mr. Webster, Secretary of State, made the startling declaration that vessels of war of her Majesty were expected to arrive upon the coasts of British America during that month, "when," he said, "no doubt seizures will begin to be made;" that the *Coral*, of Machias, Maine, had already been captured by the cutter *Nettle*; that Canada had fitted an armed vessel, to be stationed in the Gulf; that Nova Scotia had four cruisers in commission, "ready to pounce upon any American vessels who may accidentally, or otherwise, be found fishing within limits defined by the Crown officers of England;" that New Brunswick had agreed to place a cutter in the Bay of Fundy; and that the steam frigate *Devastation* had been ordered to act under the instructions of the Governor of Prince Edward Island. This official statement attracted immediate and universal attention, and by opponents of the administration was severely criticised. On the 23d of July, Mr. Mason, chairman of the Committee on Foreign Relations, offered a Resolution in the Senate—

which was agreed to unanimously—requesting the President to communicate all the correspondence touching the fisheries since the Convention of 1818, and wishing to be informed whether any of the naval forces of the United States had been ordered to the seas adjacent to the British possessions. The debate which preceded the passage of this Resolution was highly animated. The newspapers discussed the condition of affairs with warmth, and the whole country soon became excited. On the fishing grounds apprehension and threats of combination to capture the *Devastation* by boarding, continued throughout the season. The fact that the two Governments were negotiating the "Reciprocity Treaty" had a sensible influence upon our fishermen, and probably prevented collisions and the loss of life.

Such is an outline of the controversy relative to our right to the fisheries of British America, which, beginning in 1815, lasted thirty-nine years, and until 1854. Members of Congress who favor the abrogation of the Treaty, dwell on the fact that, during this long period, few vessels were captured and condemned. True, the number of seizures was not large; but we have shown that the interruptions were many and serious. For twenty-eight years your Secretary was a constant observer of, and often a party to, the troubles here related, and therefore speaks from personal knowledge of the losses incurred. The fishing months are few; and year after year hundreds of vessels were driven from the fishing grounds and were detained in ports of refuge by fog and storm, so frequently as to lose nearly one-fourth of the season. The aggregate loss in these thirty-nine years may be estimated by millions.

And now what reason has been, what reason *can* be, given for new contentions? The opponents of the treaty object mainly to our relations with Canada. The

avements on this point, in Congress and elsewhere, cannot be examined here; and we barely remark that *we* entertain the hope of effecting an adjustment even with this Colony. But, failing to make a satisfactory arrangement with Canada, we may still save our fisheries, and continue the free importation of the productions of the sea, the soil, the mine, and the quarry, which now come to us, as by a natural law, from New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland.

In a word, a *revision* of the treaty should be attempted; failing in the endeavor, we have *abrogation* as the last resort. Such is the judgment we venture to pronounce, after long and careful reflection upon the advantages and evils of "Reciprocity."

Finally: it is our duty as citizens to believe that those who control our public affairs act calmly and wisely in the premises. The purpose ostensibly is to obtain revenue. Duty on the productions of the Colonies may and may not result in gain in this particular. The Government is now, and for an indefinite period must continue to be, an enormous purchaser of the principal necessities of life. A tax, ordinarily, enhances the price of commodities, and competition, as a rule, lessens the cost to the consumer. The law of demand and supply is universal and inexorable. On a question of revenue, these points are worthy of attention.

Again. Modern history shows nothing more universally or conclusively than that smuggling originates either in prohibitions in commercial intercourse, or in high duties. Articles of necessity, and indeed of luxury, have been sought by illicit means whenever among adventurers there has been hope of profit. Example is found at the present moment in the persons who "run the blockade" on the sea, and in those who evade the

trade regulations and military orders on the Mississippi and its affluents. On the abrogation of the Treaty, fifteen hundred miles of frontier would be open to contraband traders, and no corps of revenue officers, however numerous or efficient, could prevent smuggling on the St. Croix, on the upper waters of the St. John and the St. Lawrence, and across the great Lakes. Prohibitions, or high duties, then, as in times past, would induce illicit trade, and, in a measure certainly, disappoint those who expect a *large* revenue on taxing the productions of the Colonies.

In the judgment of the Government of this Board the best good of the country demands the *revision*, not the *annulment* of the Treaty. It is the work of statesmen. The work of the late Earl of Elgin and Kincardine, on the one hand; and on the other, of the departed Webster and Marcy, and of the living Fillmore and Everett.\*

We pass now to a rapid notice of our trade with Canada. On this subject, unless we misunderstand official statistics, persons of influence entertain a very erroneous opinion. Our limits confine us to comments on the Speech of the Hon. Justin S. Morrill, a member of Congress from Vermont, delivered January 27, 1864; yet, as this gentleman is to be distinguished, we suppose, as the leader of those who favor the abrogation of the Treaty, the exposure of some of his mistakes will answer the purpose of this Report.

And first, he says that,

"By the treaty the ancient laws of trade have been subverted, and our exports to Canada, which formerly largely exceeded our imports, are now greatly less. They sell to us, but go elsewhere to buy."

\* This Report was published in the "Advertiser" and "Post," Saturday, January 14. Mr. Everett died the very next day.

On what authority does he make this extraordinary statement? The late Secretary of the Treasury, in a communication which was referred to the Committee on Commerce, Feb. 1, 1864, informed the country that during the ten years ending in 1863, our exports to Canada amounted (in whole numbers) to \$170,635,000; and that our imports from that Colony for the same period were of the value of \$152,051,000; or that our sales exceeded our purchases in the sum of \$18,584,000. With these figures what becomes of the assertion that the Canadians "sell to us, but go elsewhere to buy"? The truth is, that, under "Reciprocity," and until the existing rebellion, Canada *bought more of the United States than of all of the rest of the world besides!* As thus: total imports from every country from 1855 to 1860, (both years inclusive,) \$215,982,776, of which \$114,259,345 were from *our* ports: *showing a balance in our favor against all other nations, in these six years, of \$12,535,914, or of more than two millions of dollars, annually!*

Again, Mr. Morrill remarks:

"The amount of our export of coin for this year I have been unable to ascertain, but Canadian returns credit us in 1862 with \$2,530,000, and in 1863 with \$3,502,180. That it was much more there can be no reasonable doubt. The fair inference would be that not less than \$10,000,000 are annually drawn from us in gold, or its equivalent, to pay for agricultural productions not required, and to glut markets which our own people are all the while eager to supply. We have no reciprocity treaty with any other country, and no other presents so unfavorable a balance-sheet. Even our trade with China is more profitable."

"The fair inference," that "not less than \$10,000,000 are annually drawn from us in gold or its equivalent," &c; and this in consequence of the "Reciprocity Treaty"? What is the fact? As Mr. Morrill states, we did export to Canada \$3,502,180, "in gold or its

equivalent," in the year 1863; but the balance of *coin* was in our favor in the sum of \$1,390,015, since in the letter of the Secretary of the Treasury, already referred to—we find that the importations of the precious metals were \$4,892,195. Which country, then, in adjusting balances for 1863, was the *debtor* "in gold or its equivalent"?

Still again, as relates to transportation, Mr. Morrill avers that

"Our position gives to us the carrying trade over about one hundred miles of railroad, controlled by a perpetual British lease, and in whose prosperity no American has either a dime or a vote, from Portland to the Canada line, which the giant corporations of the British Provinces have Anglicized and monopolized; and for this equivocal favor we have, with excessive liberality, allowed more than one thousand miles of Canadian railroads to successfully compete for the carrying trade from one point to another in the United States."

Surely, he cannot mean that of the 30,600 miles of railroad in the United States in 1860, which cost \$1,134,450, we have no control over such of them as connect New England with the West; yet, as the words stand in the Speech circulated under his own *frank*, this seems the fair inference. Perhaps he himself will allow, upon reflection, that "our position" is not quite so desperate as to confine us to "about one hundred miles of road between Portland and the Canada line;" since the roads from Boston to Buffalo, and thence to all the great marts on the Lakes, which, with their connections to different cities and rivers, are thousands of miles in extent, were constructed with American "dimes," and are under the direction of American "votes" and skill. And, as concerns the roads which pass through Mr. Morrill's own State, and terminate at Ogdensburgh, we can but suggest that he ought to help save the business of *these*, and the use of the Welland Canal by our freight

propellers, as stipulated in the treaty of "reciprocity," to prevent the mortifying admission hereafter, that, by the abrogation of that compact, "the giant corporations of the British Provinces *have* Anglicized and monopolized" the trade of Ontario, and obtained an undue share of that of Erie, Huron, Michigan, and Superior.

Nor need there be any alarm whatever about that "perpetual British lease" of the Atlantic and St. Lawrence Railroad, for the reason, simply, that the Grand Trunk and its connections *must* conform in price, safety, and speed to competing lines, in order to retain their business, and thus to pay their expenses and fulfil their contracts.

Mr. Morrill's strictures upon what he denominates "The hostile changes made in the Canadian Tariff" are too long for citation or even for such extracts as would do him common justice; and, of consequence, we forbear to do more than to observe—with all deference—that were we to agree to *all* his arguments and statements (which is far from the truth) we should still contend that he makes a good case for *revision* of the Treaty, as relates to that single Colony, but proves nothing, as we understand his positions, for its *annulment*; while, in his remarks, we find no reason whatever for a change of policy towards the four Lower Colonies. Indeed, except the competition of New Brunswick with the lumber interest of Maine and of some of the Western States, no objection exists, as far as we know, to the continuance of the present arrangement—with just modifications—with the remaining three. The Government of Nova Scotia is supported at about \$50,000 annually; and the duties on imports are uniformly ten per cent *ad valorem*. Prince Edward Island is also economical, and nearly as liberal in the admission of foreign merchandise; and of both, as well as of New-

foundland, we may add that our dealings since the year 1854, have preserved our fisheries and promoted other important national interests.

Finally, we are amazed at the efforts to abrogate the "Reciprocity Treaty," of June 5th, 1854, without an overture for negotiation. We had supposed that in commercial freedom, and of consequence, in the promotion of human brotherhood, there is no recession. *Is the case before us to stand in history as an exception?*